

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

CHARLES J. TAUNT, Trustee,

Plaintiff,

Case No. 14-14488

v.

Paul D. Borman
United States District Judge

BERNARD GLIEBERMAN, *et al.*,

Defendants.

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ORDER CONTINUING STAY PREVIOUSLY STIPULATED TO BY
PARTIES IN THIS CASE

On May 4, 2017, Plaintiff BR North 223, LLC (“**BR North**”) was replaced as the plaintiff in this District Court fraudulent transfer action by Charles J. Taunt, the appointed trustee in Defendant Bernard Glieberman’s bankruptcy filing, E.D. Mich. Bankr. Case No. 15-15596. (ECF No. 51.) Shortly thereafter, Bankruptcy Trustee Taunt represented that a compromise had been reached between Trustee Taunt and two other Defendants in this action—Lonie Glieberman and Lindsey Bobay—regarding certain claims asserted in this lawsuit against those two Defendants regarding the Black Bear entity. On May 22, 2017, the parties stipulated to stay this fraudulent transfer action pending the Bankruptcy Court’s approval of that proposed Black Bear compromise. (ECF No. 54.)

The Bankruptcy Court entered an order approving the proposed compromise

on August 23, 2017. (ECF No. 424.) BR North, Glieberman's main creditor, filed an appeal of the Bankruptcy Court's compromise order with this Court the following day. (*See* E.D. Mich. Case No. 17-12796, ECF No. 1.) BR North filed parallel motions both in that appeal and in this action (the underlying fraudulent transfer lawsuit). In both motions, BR North requested that the May 22, 2017 stay in this action remain in effect, and that the Court therefore refrain from dismissing Defendants Lonie Glieberman and Lindsey Bobay from this case, until this Court resolved the appeal from the Bankruptcy Court. (*See* ECF No. 56; E.D. Mich. Case No. 17-12796, ECF No. 3.)

After holding a hearing on the appeal on October 11, 2017, this Court entered an Opinion and Order remanding the Black Bear proposed compromise issue to the Bankruptcy Court after determining that the Bankruptcy Court had erred in refusing to allow BR North to discover documents that Trustee Taunt and the two Defendants used in reaching the compromise. This Court's remand directed the Bankruptcy Court to provide BR North the discovery that it had requested and then hear reargument on the Black Bear compromise proposal. (E.D. Mich. Case No. 17-12796, ECF No. 14.)

The May 22, 2017 stay in this case was intended to pause the action while the Bankruptcy Court evaluated the proposed compromise. As those proceedings are still ongoing, the stipulated stay in this case remains in effect. Thus, the motion that

BR North filed in this District Court fraudulent transfer action to further stay the Black Bear compromise proposal in this fraudulent transfer action pending the outcome of the Bankruptcy Court appeal (ECF No. 56) is denied as redundant given the continuing prior stipulated stay in this case.

IT IS SO ORDERED.

s/Paul D. Borman
Paul D. Borman
United States District Judge

Dated: October 17, 2017

CERTIFICATE OF SERVICE

The undersigned certifies that a copy of the foregoing order was served upon each attorney or party of record herein by electronic means or first class U.S. mail on October 17, 2017.

s/D. Tofil
Deborah Tofil, Case Manager